



CUSTOMER DRIVEN PRIORITIES



Bayer HealthCare

Diagnostics Division

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A message from Mark Straley – our commitment to quality

The Diagnostics Division of Bayer HealthCare is a leading supplier of diagnostics systems. Our goal is to make a positive difference to human health and the millions of patients who rely on our diagnostic products and innovative healthcare programs to improve their quality of life.

To achieve this goal and be recognized as a leading diagnostics provider, we remain firmly committed to our customers. We earn the loyalty of our customers by striving to be more responsive to their needs than any other diagnostics organization, delivering solutions and services that exceed expectations.

The Diagnostics Division recognizes the need to continuously measure and improve our performance to ensure our products and services are of the highest quality. As a result, we recently initiated a customer relationship program entitled *Customer Interactive Quality (CIQ)*.

Designed to measure our performance in the areas of technical service, preventative maintenance, and emergency field service, the CIQ program will assist us in further understanding our customer's needs and result in enhanced business processes that may, in turn, increase efficiency, productivity and growth for our customers.



Mark Straley
Vice-President
Diagnostics Division

"Our goal is to make a positive difference to human health..."

Thank you to everyone who supported the *Customer Interactive Quality* program. Special thanks to all of our customers for your ongoing commitment to Bayer. I look forward to continuing and strengthening our relationship in the years to come.

A handwritten signature in black ink, appearing to read 'Mark Straley', written over a light blue background.

Mark Straley

A message from Roger Gauvin - monitoring our performance

At Bayer, our vision is to sustain our longstanding customer relationships and be among the leading diagnostics companies by always delivering on our promise, investing in our people, upholding honesty and integrity, and focusing on quality.

In developing the *Customer Interactive Quality (CIQ)* program, we strive to fulfill our values, understand the challenges faced by our customers, and contribute to the achievement of their objectives in laboratory testing and patient care.

To measure our performance and ensure the information gathered was open, honest, and truly representative of our customers' perceptions and priorities, we commissioned a third party customer analytics firm to implement the CIQ program and analyze customer responses.

As a result, an internal task force was brought together with the mandate to formulate plans and act on customer feedback and priorities. Several initiatives have evolved such as an increased emphasis on field communication, roundtable discussions, proactive communications, and ongoing monitoring of Bayer performance in the field.

Yet, we recognize that priorities change. As such, we have adopted the Bayer Scorecard, a real-time analytical tool that continuously monitors customer priorities and perceptions as well as defines the business critical zone between customer expectations and company performance.



Roger Gauvin
Director, Diagnostics Services

"...our vision is to sustain our longstanding customer relationships..."

To ensure we provide superior customer service now and in the future, we would be pleased to receive your feedback on this program. If you would like to share your thoughts or would like to receive further information on the analysis presented in this report, please contact your local representative or myself.

I look forward to continuing to talk with our customers about where we are today and where we need to be in the future.

A handwritten signature in blue ink that reads "Roger Gauvin". The signature is fluid and cursive.

Roger Gauvin
(416) 240-5247
roger.gauvin.b@bayer.com



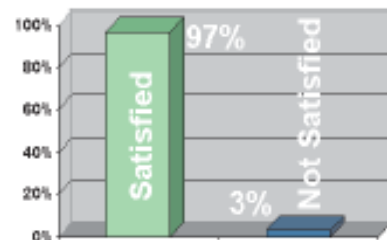
Performance vs. Importance

Touch Points	Inferior	Average	Superior	Not Important	Important	Very Important
Bayer Overall Service Performance	1.7%	14.3%	83.9%	2.6%	18.4%	79.1%
The representative arrives in a timely fashion as committed.	3.0%	14.5%	82.5%	5.5%	21.1%	73.4%
If applicable, the representative has the necessary parts.	3.6%	20.4%	76.0%	1.0%	16.6%	82.1%
If applicable, the representative involves the correct combination of people to achieve a solution quickly.	0.0%	14.2%	85.8%	2.7%	16.7%	78.6%
The representative explains adequately the nature of the problem or service.	1.0%	7.0%	92.0%	4.0%	31.6%	64.1%
The representative demonstrates the technical knowledge required.	0.5%	6.0%	93.5%	1.0%	13.3%	85.2%
The problem is solved in one visit.	2.6%	21.1%	76.3%	1.6%	15.5%	82.9%
The work is done at a convenient or appropriate time for your lab.	1.0%	11.6%	87.5%	3.1%	22.4%	74.5%
The instrument performs as well as or better than it did prior to the service call.	2.0%	20.2%	77.7%	1.1%	6.9%	92.1%

overall Bayer Scorecard results

Overall 4 out of 5 customers rated Bayer as providing **SUPERIOR** service, while **less than 2 out of 100** customers rated Bayer as providing below average service. Even with this great achievement, we at Bayer understand that there is room for improvement.

In our never-ending commitment to providing total customer satisfaction, we at Bayer went one step further and not only asked how satisfied or how well we performed, but also how important was that “touch” to our customer. By analyzing the gap between performance and importance areas of opportunity for Bayer – opportunities not only for improvement but opportunities to “delight” customers were revealed in the Bayer Scorecard.

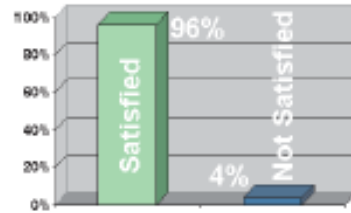


Bayer Scorecard

Touch Points	-12	-8	-4	-2	0	2	4	8	12
	Zone of Performance Improvement			Target Area			Zone of Resource Over Allocation		
Bayer Overall Service Score						-1.66			
The representative arrives in a timely fashion as committed.						-1.49			
If applicable, the representative has the necessary parts.			-2.40						
If applicable, the representative involves the correct combination of people to achieve a solution quickly.						-1.44			
The representative explains adequately the nature of the problem or service.						-0.6			
The representative demonstrates the technical knowledge required.						-1.51			
The problem is solved in one visit.			-2.19						
The work is done at a convenient or appropriate time for your lab.						-1.29			
The instrument performs as well as or better than it did prior to the service call.			-2.36						

technical service

4 out of 5 customers rated Bayer as providing **SUPERIOR** Technical Service, while **less than 3 out of 100** rated Bayer as providing below average Technical Service.



Performance vs. Importance

Touch Points	Inferior	Average	Superior	Not Important	Important	Very Important
Bayer Technical Service Performance	2.3%	12.0%	85.8%	4.1%	20.2%	75.6%
The representative arrives in a timely fashion as committed.	1.0%	17.3%	80.8%	7.3%	23.6%	69.1%
If applicable, the representative has the necessary parts.	2.0%	17.6%	80.3%	3.0%	15.1%	81.1%
If applicable, the representative involves the correct combination of people to achieve a solution quickly.	0.0%	13.3%	86.8%	6.4%	19.1%	74.5%
The representative explains adequately the nature of the problem or service.	4.0%	4.0%	92.0%	3.0%	32.7%	63.5%
The representative demonstrates the technical knowledge required.	2.0%	4.0%	94.0%	1.9%	13.0%	84.6%
The problem is solved in one visit.	2.0%	16.3%	81.7%	2.0%	20.0%	78.0%
The work is done at a convenient or appropriate time for your lab.	1.0%	11.5%	86.5%	5.7%	25.3%	68.0%
The instrument performs as well as or better than it did prior to the service call.	4.0%	11.5%	84.3%	2.1%	8.3%	83.6%

Our area of greatest opportunity to “delight” our customers in our Technical Service is in the touch points, “The representative has the necessary parts,” and, “The instrument performs as well as or better than it did prior to the service call.”

As a result of identifying this opportunity, we at Bayer are placing the parts in the hands of our field technicians for even faster response to parts requirements.

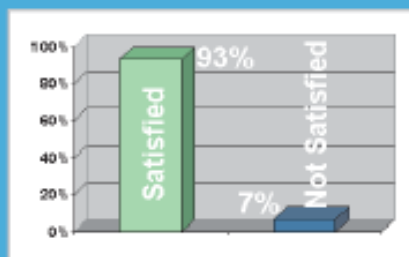


Bayer Scorecard

Touch Points	Score Scale								
	-12	-8	-4	-2	0	2	4	8	12
	Zone of Performance Improvement			Target Area			Zone of Resource Over Allocation		
Bayer Technical Service Score				-1.49					
The representative arrives in a timely fashion as committed.				-1.42					
If applicable, the representative has the necessary parts.	-2.14								
If applicable, the representative involves the correct combination of people to achieve a solution quickly.				-1.3					
The representative explains adequately the nature of the problem or service.				-0.76					
The representative demonstrates the technical knowledge required.				-1.35					
The problem is solved in one visit.				-1.65					
The work is done at a convenient or appropriate time for your lab.				-1.12					
The instrument performs as well as or better than it did prior to the service call.	-2.07								

preventative maintenance

4 out of 5 customers rated Bayer as providing **SUPERIOR** Preventative Maintenance, while less than **3 out of 100** rated Bayer as providing below average Preventative Maintenance service.



Our area of greatest opportunity to “delight” our customers in our Preventative Maintenance service is in the touch points, “The problem is solved in one visit,” and, “The instrument performs as well as or better than it did prior to the service call.”

As a result of identifying this opportunity, we at Bayer have included ‘preventative maintenance care’ as a core part of the field service representative’s personal objectives.



Performance vs. Importance

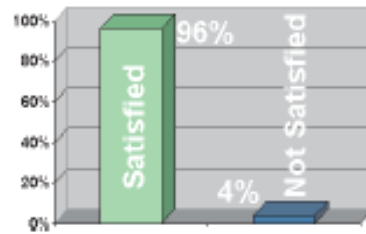
Touch Points	Inferior	Average	Superior	Not important	Important	Very important
Bayer Preventative Maintenance Performance	2.2%	16.1%	81.7%	2.8%	16.6%	78.5%
The representative arrives in a timely fashion as committed.	7.5%	15.0%	77.5%	7.5%	25.0%	67.5%
If applicable, the representative has the necessary parts.	2.5%	17.5%	80.0%	0.0%	25.6%	74.4%
If applicable, the representative involves the correct combination of people to achieve a solution quickly.	0.0%	18.4%	81.5%	5.4%	18.9%	75.7%
The representative explains adequately the nature of the problem or service.	2.5%	2.5%	95.0%	5.0%	22.5%	72.5%
The representative demonstrates the technical knowledge required.	0.0%	7.5%	92.5%	0.0%	13.2%	86.8%
The problem is solved in one visit.	0.0%	20.5%	79.4%	0.0%	16.2%	83.8%
The work is done at a convenient or appropriate time for your lab.	5.0%	17.5%	77.5%	5.3%	21.1%	73.7%
The instrument performs as well as or better than it did prior to the service call.	0.0%	30.0%	70.0%	0.0%	5.3%	94.7%

Bayer Scorecard

Touch Points	-12	-8	-4	-2	0	2	4	8	12
	Zone of Performance Improvement			Target Area			Zone of Resource Over Allocation		
Bayer Preventative Maintenance Score									
The representative arrives in a timely fashion as committed.									
If applicable, the representative has the necessary parts.									
If applicable, the representative involves the correct combination of people to achieve a solution quickly.									
The representative explains adequately the nature of the problem or service.									
The representative demonstrates the technical knowledge required.									
The problem is solved in one visit.									
The work is done at a convenient or appropriate time for your lab.									
The instrument performs as well as or better than it did prior to the service call.									

emergency field service

4 out of 5 customers rated Bayer as providing **SUPERIOR** Emergency Field Service, while **2 out of 100** rated Bayer as providing below average Emergency Field Service.



Performance vs. Importance

Touch Points	Inferior	Average	Superior	Not Important	Important	Very Important
Bayer Emergency Field Service Performance	2.0%	15.5%	82.5%	1.8%	15.9%	82.5%
The representative arrives in a timely fashion as committed.	2.6%	14.8%	82.6%	2.7%	15.6%	78.6%
If applicable, the representative has the necessary parts.	5.4%	21.6%	73.0%	0.0%	14.4%	85.6%
If applicable, the representative involves the correct combination of people to achieve a solution quickly.	0.0%	19.0%	80.9%	1.9%	15.5%	82.5%
The representative explains adequately the nature of the problem or service.	1.7%	8.6%	89.6%	3.5%	33.6%	62.6%
The representative demonstrates the technical knowledge required.	-	6.0%	94.0%	0.9%	10.7%	88.4%
The problem is solved in one visit.	1.8%	25.1%	72.0%	1.0%	11.4%	87.6%
The work is done at a convenient or appropriate time for your lab.	1.7%	9.6%	88.7%	2.8%	16.6%	80.4%
The instrument performs as well as or better than it did prior to the service call.	2.7%	19.9%	77.9%	0.0%	4.7%	92.3%

Our area of greatest opportunity to “delight” our customers in our Emergency Field Service is in the touch points, “The representative has the necessary parts,”; “The instrument performs as well as or better than it did prior to the service call,” and, “The problem is solved in one visit.”

In our Emergency Field Service, it is interesting to note that by addressing the greatest opportunity which is in the touch point, “The representative has the necessary parts,” we can influence the touch point, “The problem is solved in one visit.” If we at Bayer ensure that our representatives have the necessary parts, we also increase the ability of the representative to solve the problem in one visit.



Bayer Scorecard

Touch Points	-12	-8	-4	-2	0	2	4	8	12
	Zone of Performance Improvement			Target Area			Zone of Resource Over Allocation		
Bayer Emergency Field Service Score					-1.84				
The representative arrives in a timely fashion as committed.					-1.55				
If applicable, the representative has the necessary parts.			-2.96						
If applicable, the representative involves the correct combination of people to achieve a solution quickly.					-1.72				
The representative explains adequately the nature of the problem or service.					-0.71				
The representative demonstrates the technical knowledge required.					-1.51				
The problem is solved in one visit.					-2.61				
The work is done at a convenient or appropriate time for your lab.					-1.83				
The instrument performs as well as or better than it did prior to the service call.					-2.61				

our customer comments

"I am very pleased with the service we get from Bayer and that was one of the considerations before we purchased our Advia 120." - Shelly Langille

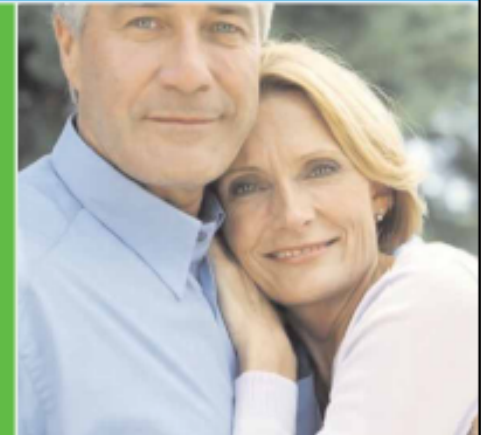
"Even after the problem was resolved, the Service Rep called back to make sure everything was still OK. Greatly appreciated." - Paul Acker

"Our repair involved the replacement of the UFC, I was very impressed how the measured parameters were the same as before (Virtually no calibration required, HGB only)." - Paul-Aime Bourque

"Prompt response to customer needs is much appreciated."

- Cathy Komourdjian

"I love the Clinitek Atlas!"
- Richard Crouse



outstanding representatives...



"Very helpful in explanation of service done, as well as patience in teaching."

"In my experience, our calls have always been handled in a prompt, courteous and reasonable manner. Thank you."

validation of the research

From Future Strategies Inc. -
To The Customers And Employees Of Bayer Diagnostics:

We were hired by Bayer Diagnostics to conduct performance research on their behalf. The resulting information that is included in this brochure has been written and audited by us at Future Strategies Inc.



By showing even the negative responses and areas of required improvement, Bayer demonstrates its commitment to being responsive to their customers and that the numbers from the survey are the truth and not suspect to marketing doctoring. Results that show only extreme positive results are often suspect as the questions and results could include biases that have altered the analysis.

As an independent customer analytics research firm, we are confident that the results presented here are the true and accurate opinions of Bayer Diagnostics customers.



Wayne Clancy
President,
Future Strategies Inc.
www.futuresstrategiesinc.com

The accompanying consolidated customer survey statements presented are fair and objective in all material respects of customer satisfaction.

Wayne Clancy

the Bayer Diagnostics commitment

Corporate Goals

Bayer is a company with major businesses in health care and chemicals. Its products and services help to satisfy peoples' basic needs and contribute to the continual improvement of the quality of life all over the world. High product and service quality, optimum cost-efficiency, comprehensive environmental protection and maximum safety are equally ranked factors in achieving our corporate goals. The continual improvement of all corporate services is therefore essential in order to enhance the confidence of our customers and the public in the expertise and responsibility of our company and its employees.



policy guidelines for quality management at Bayer

Quality

Quality affects all segments of the company. It means providing our customers, both internal and external, with products and services to meet their needs.

Customer satisfaction is therefore a key element in our definition of quality. In improving the quality of our products and services, specific objectives are set so that the improvements achieved can always be measured. In this way, we are able to meet three of our key goals:

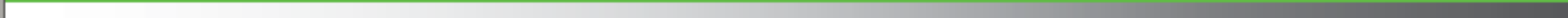
- Increasing the efficiency of our production processes and procedures
- Minimizing the need for corrective action
- Satisfying internal and external customers

Meeting these strategic goals is a key prerequisite in improving the quality and competitive position of our products and services in world markets.



Employees

Through the quality of their work, all our employees play a considerable role in meeting our corporate goals. Each individual is responsible for the quality of his or her own work. The requirements specified by both internal and external customers have to be fulfilled. Every employee is also obliged to harmonize his or her requirements with suppliers and with the constraints of the workplace. It is only through the high-quality work of each individual that our company's performance and standards of quality can be continually improved. The commitment of all our employees to quality and improved performance is promoted by the company through special training courses and the encouragement of creativity and teamwork.



Bayer HealthCare
Diagnostics Division

